Form 3160-3 (July 1992)

UNITED STATES

SUBMIT IN TRIPLICATE*

FORM APPROVED OBM NO. 1004-0136 Expires: February 28,1995

5. LEASE DESIGNATION AND SERIAL NO.

001

BUREAU OF LAND MANAGEMENT

DEPARTMENT OF THE INTERIOR

U-0559

APPLICATION FOR PERMIT TO	DRILL OR DEEPEN	1	6. IF INDIAN, ALLOTTEE O	R TRIBE NAME
a. TYPE OF WORK			N/	A
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TYPE OF WELL			RED WAS	
ELL X WELL OTHER	SINGLE MULTIPLE ZONE X ZONE		8. FARM OR LEASE NAME	, WELL NO.
NAME OF OPERATOR			RWU #4	11-23A
henandoah Energy Inc.			9. API WELL NO.	
ADDRESS AND TELEPHONE NO. Phone: 435-781-4341	11002 East 17500 South	1		
Fax: 435-781-4329	Vernal, Utah 84078		10. FIELD AND POOL, OR	WILDCAT
LOCATION OF WELL (Report location clearly and in accordance with a	nny State requirements.*)		RED V	VACU
t surface 448	51398 N		RED T	TAON
	36230E		11. SEC.,T.,R.,M., OR BLK AND SURVEY OR AREA	
iame	70200		SEC. 23, T7S,	DOOF SIREM
4. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POS	T OFFICE*		12. COUNTY OR PARISH	113.STATE
miles West of Redwash Utah			Uintah	Utah
. DISTANCE FROM PROPOSED*	16. NO. OF ACRES IN LEASE		CRES ASSIGNED	
OCATION TO NEAREST 117' +	2080	TO THIS		
ROPERTY OR LEASE LINE, FT. Iso to nearest drig. Unit line if any)			40	
DISTANCE FROM PROPOSED LOCATION* DISTANCE FROM PROPOSED LOCATION* DISTANCE FROM PROPOSED LOCATION* 500' +	19. PROPOSED DEPTH	20. ROTARY	OR CABLE TOOLS	-
R APPLIED FOR ON THIS LEASE, FT.	5802'		Rotary	
l. ELEVATIONS (Show whether DF, RT, GR, etc.)	A 50-101		22. APPROX. DATE WORK	WILL START*
130' GR			A.S.	A.P
3. PROPOSED CASING AND CEMENTING PROGRAM				
peations will be according to the Standard Operating Propression wells.	ocedures for the Red Wash Unit	t, Wonsits \	/alley Federal Unit ar	nd area Green River
ee Onshore Order No. 1 attached.				
lease be advised that Shenandoah Energy Inc. is consident henandoah Energy Inc. agrees to be responsible under t				La Valenti Va
onducted upon the lease lands.				FEB 1 4 2001
ond coverage for this well is provided by Bond No. 0969.	The principal is Shenandoah			
inergy inc. via surety as consent as provided for in 43 CF				DIVISION OF
N ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to despee,	alve date on propert avaduation		Oll	, GAS AND MIN
report of Aut Besonting Proposed Production. If proposed it to ecopes,			ve zone. II proposal is to drill or	
John Busch John Busch	th TITLE Red Wash Operation	ns Repres	entative DAT	E 2/12/01
his space for Federal or State office use)	COVAL OF ME			
PERMIT NO. 43-047-33951	APPROVA	L DATE		en e
	- keas Is us			
pplication approval does not warrant or certify that the applicant holds legal or equipment to the applicant holds	nitable to those rights in the subject less	e which would e	entitle the applicant to conduct	operations thereon.
PERMIT NO. 43-047-3395 Application approval does not warrant or certify that the applicant holds legal by equipment of the applicant holds legal by equipm	BRADLEY	G. HILI PECIAL		05-01
*Se	e Instructions On Reverse	Side	(CONFIDENTIA

SHENANDOAH ENERGY, INC. T7S, R22E, S.L.B.&M. Well location, RWU #41-23A, located as shown in the NE 1/4 NE 1/4 of Section 23, T7S, R22E, S.L.B.&M., Uintah County, 1941 Brass Cap 1938 Brass Cap N89'59'22"W ₋₁₁₇' Pile of Stones Pile of Stones Utah. N89*58'W - 40.02 (G.L.O.) 2641.05' (Meas.) BASIS OF ELEVATION 687 RWU #41-23A SPOT ELEVATION AT THE SOUTHEAST CORNER OF SECTION 23, T7S, R22E, S.L.B.&M. TAKEN FROM THE RED WASH NW, Elev. Ungraded Ground = 5130' QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES 2640.95 DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5439 FEET. o 1938 Brass Cap Pile of Stones N00.02'W SCALE CERTIFICATE (Basis THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS HAVE BY ME DROUBLE TO THE SUPERVISION AND THAT THE SAME ARE TRUE AND COMPETED TO THE GAS AND MINING 67.0 BEST OF MY KNOWLEDGE AND M, 10.00N 1941 Brass Cap LAMBIN SURVEYING Pile of Stones 1938 Brass Cap UINTAH ENGINEERING & $N89^{57}W - 39.99$ (G.L.O.) N89'56'30"W 2640.09' (Meas.) 85 SOUTH 200 EAST - VERNAL, UTAH 84078 LEGEND: (435) 789-1017 SCALE DATE SURVEYED: DATE DRAWN: 90° SYMBOL 1" = 1000'01 - 17 - 0101-22-01 LATITUDE = $40^{\circ}12'14''$ PARTY PROPOSED WELL HEAD. REFERENCES LONGITUDE = $109^{23}58$ " G.S. T.A. D.R.B. G.L.O. PLAT SECTION CORNERS LOCATED. WEATHER COLD SHENANDOAH ENERGY, INC.

ONSHORE OIL & GAS ORDER NO. 1 Shenandoah Energy Inc. RWU #41-23A

DRILLING PROGRAM

ONSHORE OIL & GAS ORDER NO. 1 Approval of Operations on Onshore Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

Formation	Depth	Prod. Phase Anticipated
Uinta	Surface	
Green River	2857'	
Mahogany Ledge	3752'	
Mesa	5627'	
TD (Green River)	5802'	Oil

2. <u>Anticipated Depths of Oil Gas Water and Other Mineral Bearing Zones</u> The estimated depths at which the top and bottom of the anticipated water, oil, gas. Or other mineral bearing formations are expected to be encountered are as follows:

Substance	.*	Formation	Depth
Oil/Gas		Green River	5802'

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If no flows are detected, samples will be submitted to the BLM along with any water analyses conducted.

3. <u>Anticipated Bottom Hole Pressures</u>

Maximum anticipated bottom hole pressure equals approximately 2320.8 psi.

FEB 1 4 2001 DIVISION OF

4. Surface Ownership

OIL, GAS AND MINING

The well pad and access road are located on lands owned by the Federal Government.

CONFIDENTIAL

MULTI-POINT SURFACE USE & OPERATIONS PLAN

SHENANDOAH ENERGY INC. RED WASH UNIT #41-23A NENE, SECTION 23, T7S, R22E UINTAH COUNTY, UTAH

1. Plans for Reclamation of the Surface

As per our onsite on February 1 with Byron Tolman Vernal BLM, Raleen Searle Shenandoah Energy Inc., John Busch Shenandoah Energy Inc. the following stipulations were determined. There will be a pit liner. The seed mixture is as follows consisting of 12lbs per acre:

4lbs - Indian Rice Grass

4lbs - Needle & Thread Grass

4lbs – Fourwing Salt bush

2. Other Information

See attached maps

Topo map A- Access routes

Topo map B- Proposed Access road

Topo map C- Location of wells within a one mile radius

Topo map D- Proposed pipeline

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FEB 1 4 2001

DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

Lessee's or Operator's Representative:

John Busch Red Wash Operations Rep. Shenandoah Energy Inc. 11002 East 17500 South Vernal, Utah 84078 (435) 781-4341

Certification:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

Shenandoah Energy Inc. will be fully responsible for the actions of their subcontractors.

A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Shenandoah Energy Inc. its' contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

John Burel

John Busch Red Wash Operations Representative FEBRUARY 12, POLICE VED

Date

FEB 14 2001

DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

SHENANDOAH ENERGY, INC.

RWU #41-23A LOCATED IN UINTAH COUNTY, UTAH **SECTION 23, T7S, R22E, S.L.B.&M.**

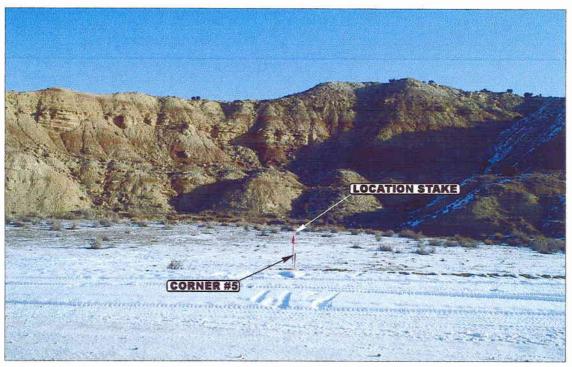


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY

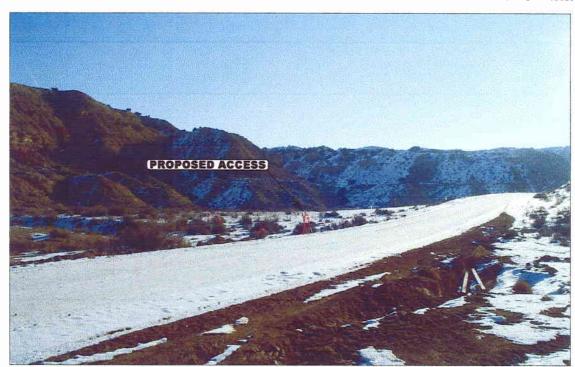


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY

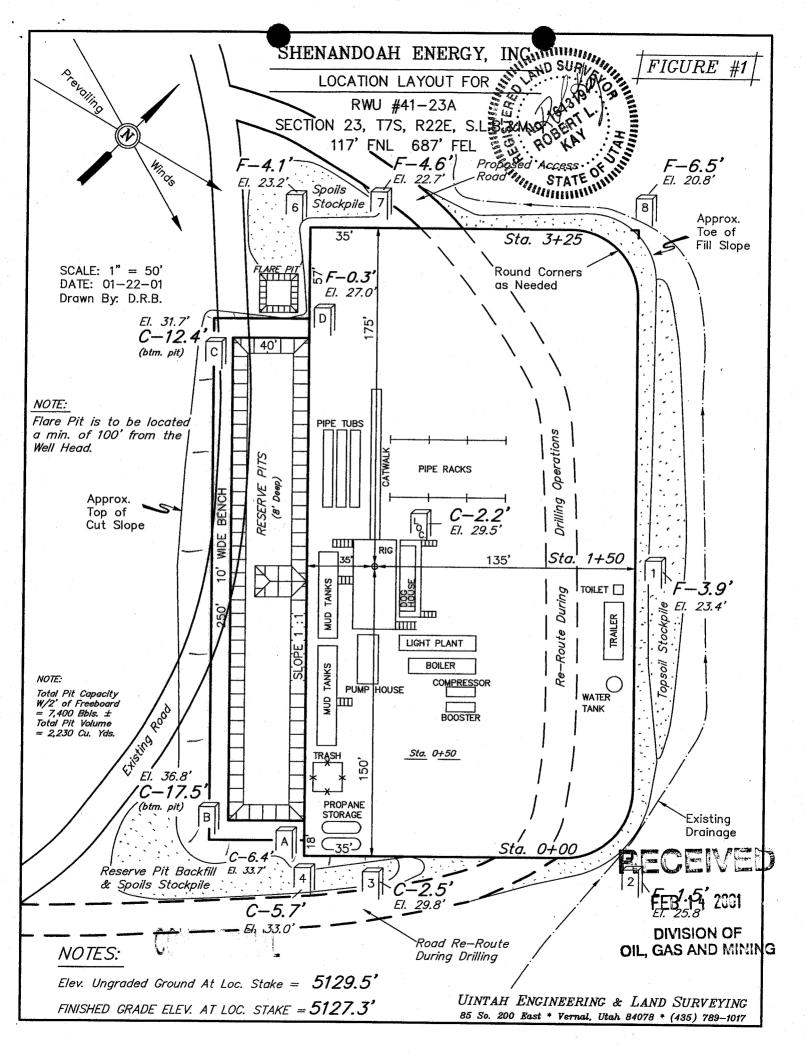
РНОТО

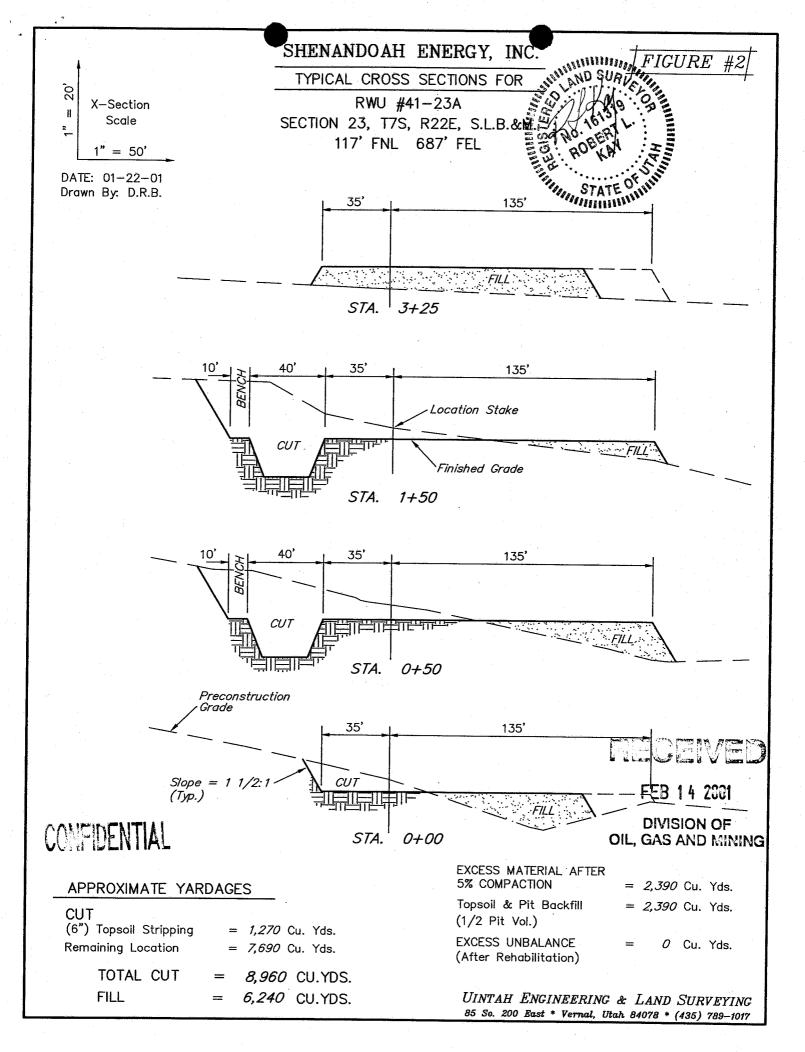


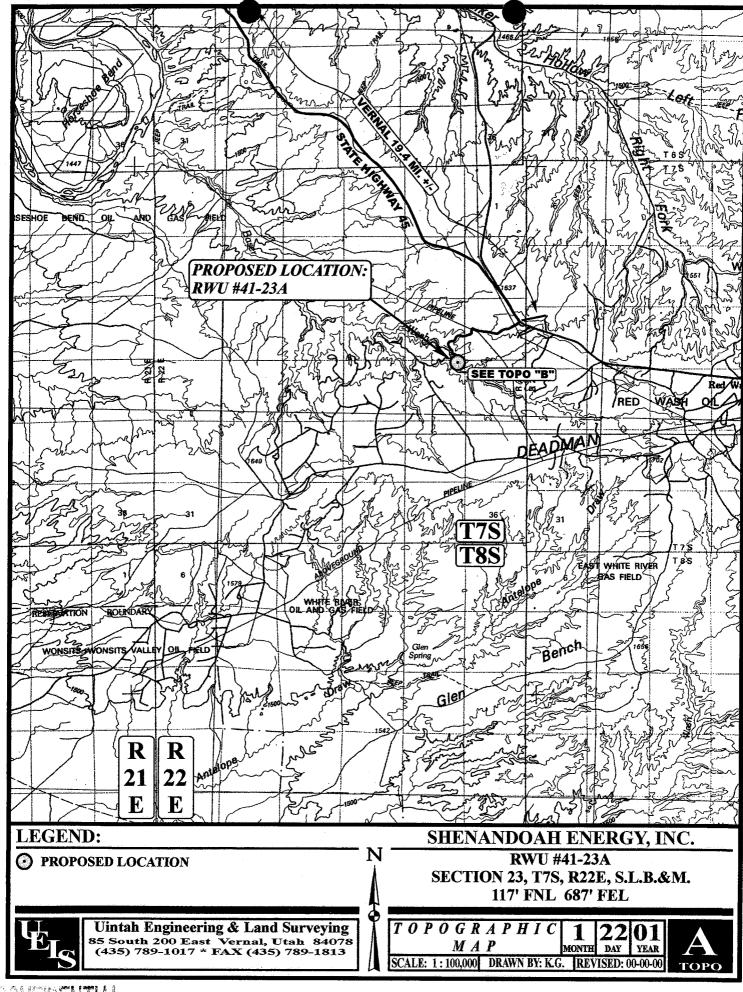
Uintah Engineering & Land Surveying

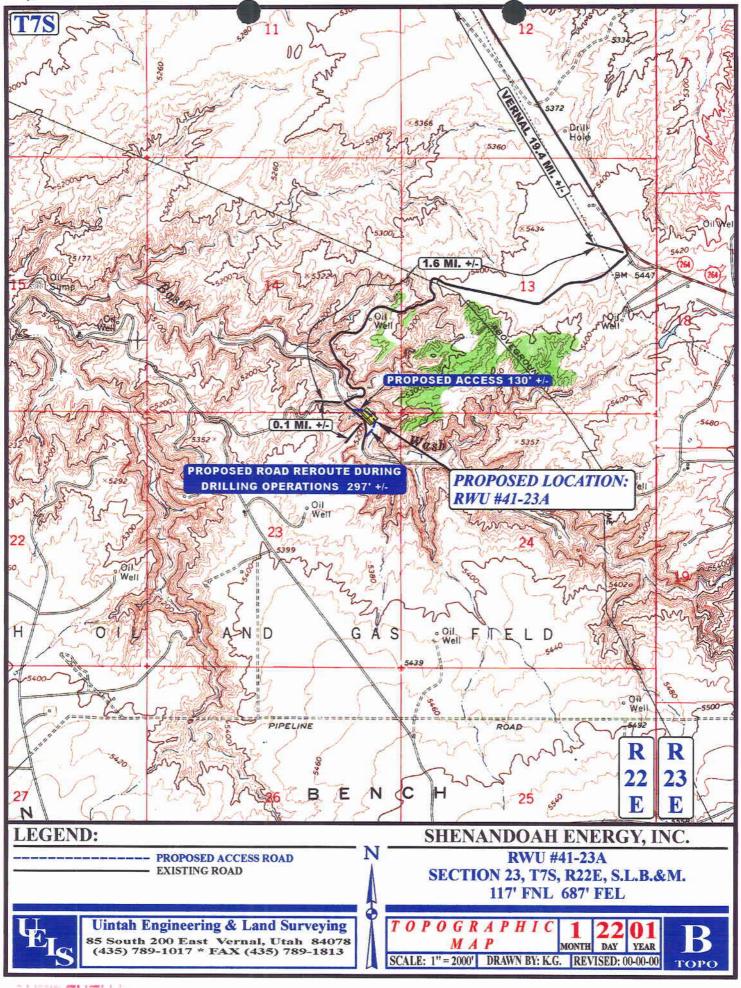
85 South 200 East Vernal, Utah 84078 435-789-1017 uels@uelsinc.com

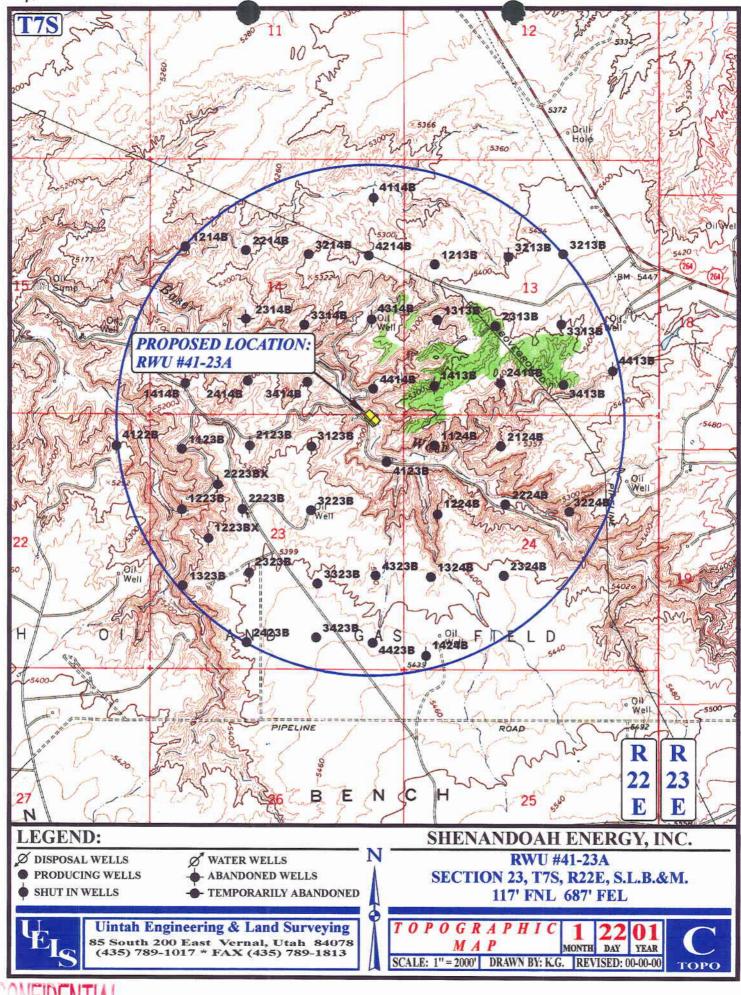
LOCATION	PHOTOS	1 MONTH	22 DAY	01 YEAR
TAKEN BY: G.S.	DRAWN RV- K			







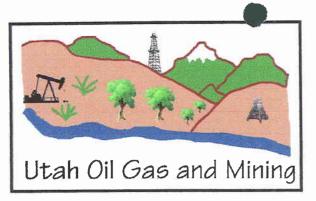






WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 02/14/2001	API NO. ASSIGNE	ED: 43-047-33951	<u>.</u>
WELL NAME: RWU 41-23A OPERATOR: SHENANDOAH ENERGY INC (N4235) CONTACT: JOHN BUSCH	PHONE NUMBER: 4	35-781-4341	
PROPOSED LOCATION:	INSPECT LOCATN	BY: / /	
NENE 23 070S 220E SURFACE: 0117 FNL 0687 FEL	Tech Review	Initials	Date
BOTTOM: 0117 FNL 0687 FEL UINTAH	Engineering		
RED WASH (665)	Geology		
LEASE TYPE: 1-Federal	Surface		· · · · · · · · · · · · · · · · · · ·
LEASE NUMBER: U-0559 SURFACE OWNER: 1-Federal PROPOSED FORMATION: GRRV			
Plat Bond: Fed(1] Ind[] Sta[] Fee[] (No. UT-0969) N Potash (Y/N) N Off Shale (Y/N) *190-5 (B) or 190-3 Water Permit (No. 43-8496) N RDCC Review (Y/N) (Date:) N Fee Surf Agreement (Y/N)	R649-3-2. 6 Siting: 460 F R649-3-3. E Drilling Uni Board Cause Eff Date: Siting:	Jnit RED WASH General rom Qtr/Qtr & 920' B Exception	
STIPULATIONS: (1) FEDERAL APPROV.			



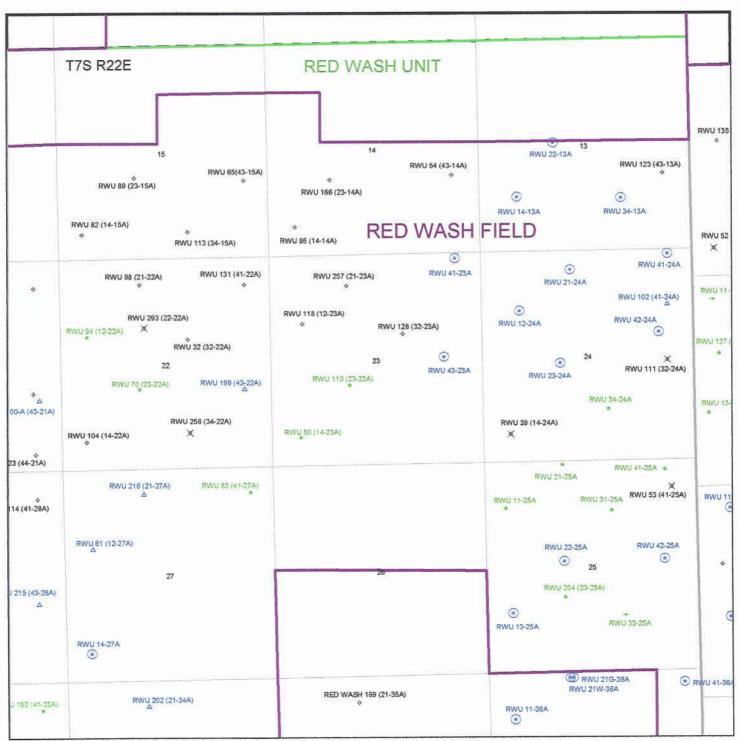
OPERATOR: SHENANDOAH ENERGY (N4235)

FIELD: RED WASH (665)

SEC. 23, T7S, R22E,

COUNTY: UINTAH UNIT: RED WASH

SPACING: R649-3-3/EX LOC



PREPARED BY: LCORDOVA DATE: 22-FEBRUARY-2001

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office P.O. Box 45155 Salt Lake City, Utah 84145-0155

IN REPLY REFER TO: 3160 (UT-922)

February 22, 2001

Memorandum

To:

Assistant District Manager Minerals, Vernal District

From:

Michael Coulthard, Petroleum Engineer

Subject:

2001 Plan of Development Red Wash Unit,

Uintah County, Utah.

Pursuant to email between Lisha Cordova, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management. The following wells are planned for calendar year 2001 within the Red Wash Unit, Uintah County, Utah.

Api Number

Well

Location

(Proposed Green River Completions)

43-047-33949 RWU 43-23A Sec. 23, T7S, R22E 2581 FNL 0959 FEL 43-047-33950 RWU 14-13A Sec. 13, T7S, R22E 1323 FSL 0958 FWL 43-047-33951 RWU 41-23A Sec. 23, T7S, R22E 0117 FNL 0687 FEL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Red Wash Unit

Division of Oil Gas and Mining

Agr. Sec. Chron Fluid Chron

MCoulthard:mc:2-22-1

SHENANDOAH ENERGY INC.

11002 East 17500 South Vernal, UT 84078 Phone: (435) 781-4300 Fax (435) 781-4329

February 28, 2001

Division of Oil, Gas & Mining 1594 W. N. Temple STE 1210 Salt Lake City, UT 84114-5801

To Whom It May Concern:

Shenandoah Energy Inc. Red Wash Unit #41-23A is an exception location due to a closure of 700' between T7S, R22E, & T7S, R23E. This lease #(U-0559) is under the Red Wash Unit Agreement and all owners are committed under the Unit Agreement.

There are no additional lease owners within 460' of this proposed well. If you have any question please contact Raleen Searle @ (435) 781-4309.

Thank you,

Raleen Searle

Administrative Assistant

Caleen Dearle

RECEIVED

MAR 0 1 2001

DIVISION OF OIL, GAS AND MINING



Michael O. Leavitt Governor Kathleen Clarke

Executive Director Lowell P. Braxton Division Director

State of Utah DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

March 5, 2001

Shenandoah Energy, Inc. 11002 E 17500 S Vernal, UT 84078

Re:

Red Wash Unit 41-23A Well, 117' FNL, 687' FEL, NE NE, Sec. 23, T. 7 South,

R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33951.

Sincerely,

John R. Baza

Associate Director

er

Enclosures

cc:

Uintah County Assessor

Bureau of Land Management, Vernal District Office

Operator:		Shenandoah Ener	gy, Inc.
Well Name & Number_		Red Wash Unit 4	1-23A
API Number:		43-047-33951	
Lease:		U-0559	
Location: NE NE	Sec. 23_	T. 7 South	R. 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

SUBMIT IN TRIPLICATE

ROVED 1004-0136 s: February 28,1995

5. LEASÉ DESIGNATION AND SERIAL NO.

DEPARTMENT OF THE INTERIOR

11-0559

Opeations will be according to the Standard Operating Procedures for the Red Wash Unit, Wonsits Valley Federal Unit and area Green Formation wells. See Onshore Order No. 1 attached. Please be advised that Shenandoah Energy Inc. is considered to be the operator of the above mentioned well. Shenandoah Energy Inc. agrees to be responsible under the terms and conditions of the lease for the operations MAY 0.7 2001	BUREAU OF LAND MANAGER	MENT		0 0000	
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*See Instructions On Reverse Side

COAs Page 1 of 3 Well No.: RWU 41-23A

CONDITIONS OF APPROVAL APPLICATION FOR PERMIT TO DRILL

Company/Operator:	Shenandoah Energ	y Inc.		
Well Name & Numb	er: <u>RWU 41-23A</u>	·	· · · · · · · · · · · · · · · · · · ·	
API Number:	43-047-33951			
Lease Number:l	J - <u>0559</u>			
Location: NENE Se	ec. <u>23</u> T. <u>7S</u> R. <u>22E</u>	. 6 . 1		
Agreement: Red Wa	ash Unit			<u> </u>

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

DRILLING PROGRAM

As a minimum, the usable water resources shall be isolated and/or protected by having a cement top behind the production casing at least 200' above the base of the usable water zone identified at ± 4290 '.

The variances requested in section 9 of the Red Wash Unit SOP

Where the location and rig layout allows, the blooie line shall be straight and extend 100' from the wellbore. This requirement will be waived only in the case where the location is too small to accommodate it.

COAs Page 2 of 3 Well No.: RWU 41-23A

Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

Other Information

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Ed Forsman

(435) 789-7077 (HOME)

(435) 646-1685 (PAGER)

Petroleum Engineer

Kirk Fleetwood

(435) 789-6858 (HOME)

(435) 646-1678 (PAGER)

Petroleum Engineer

Jerry Kenczka

(435) 781-1190 (HOME)

(435) 646-1676 (PAGER)

Petroleum Engineer

BLM FAX Machine (435) 781-4410

COAs Page 3 of 3 Well No.: RWU 41-23A

CONDITIONS OF APPROVAL FOR THE SURFACE USE PROGRAM OF THE APPLICATION FOR PERMIT TO DRILL

- -The topsoil from the reserve pit will be piled separately from the location topsoil. It will be placed on the west end of the reserve pit.
- -Since the oil will be tanked on location and hauled to central battery, no pipeline or powerline will be constructed on this location.
- -Once the reserve pit is reclaimed, the main road will be re-established as to avoid having through traffic travel across the well location.

Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED

Budget Bureau No. 1004-0135

···		
···		5. Lease Designation and Serial No.
in not use this form for proposals to drill or to d	CES AND REPORTS ON WELLS	U-0559
o not use this form for proposals to drill of to d	leepen or reentry to a different reservoir	
Use "APPLICATIC	N FOR PERMIT—" for such proposals	6. If Indian, Allottee or Tribe Name
		N/A
SUBMIT	IN TRIPLICATE	7. If Unit or CA, Agreement Designation
Type of Well	205	Red Wash Unit
Oil Gas	CONTRACTOR AND	
X Well Well Other		8. Well Name and No.
		RWU 41-23A
Name of Operator	The state of the s	
SHENANDOAH ENERGY INC		9. API Well No.
Address and Telephone No		43-047-33951
11002 E. 17500 S. VERNAL, UT 84078-8526	(801) 781-4341	10. Field and Pool, or Exploratory Area
Location of Well (Footage, Sec., T., R., M., or Survey Description)		RED WASH - GREEN RIVER
		11. County or Parish, State
117' FNL, 687' FEL NENE Sec. 23, 75	5 2ZE	UINTAH, UTAH
CHECK APPROPRIATE BO	DX(s) TO INDICATE NATURE OF NOTICE, REPO	ORT, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	ON
X Notice of Intent	Abandonment	Change of Plans
122		
	Recompletion	New Construction
Subsequent Report	Plugging Back	Non-Routine Fracturing
	Casing Repair	Water Shut-Off
Final Abandonment Notice	Altering Casing	Committee Valuation
That I ballonated Toxes	Atterning Casing	Conversion to Injection
	X Other APD Extension	Dispose Water
		Oliva Paratarian India Control of Charles and Market
		(Note) Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

DIVISION OF OIL, GAS AND MINING

4. I hereby certify that the foregoing is true and correct. Signed JOHN BUSCH	Title	OPERATIONS REPRESENTATIVE	Date	4/22/02
This space for Federal or State office use)				
pproved by:	Title		Date	
onditions of approval, if any				

Form 3160-5 (June 1990) UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED

Budget Bureau No. 1004-0135

Expires: March 31, 1993

008

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir

Use "APPLICATION FOR PERMIT—" for such proposals

Lease Designation and Serial No.
 U-0559

If Indian, Allottee or Tribe Name

		N/A
SUBMI	T IN TRIPLICATE	7. If Unit or CA, Agreement Designation
1. Type of Well Oil Gas X Well Well Other	RECEIVED APR 2 2 2002	Red Wash Unit 8. Well Name and No. RWU 41-23A
2. Name of Operator SHENANDOAH ENERGY INC		9. API Weil No.
3. Address and Telephone No 11002 E. 17500 S. VERNAL, UT 84078-8526	(801) 781-4341	43-047-33951 10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)		RED WASH - GREEN RIVER
117' FNL, 687' FEL NENE		11. County or Parish, State UINTAH, UTAH
12. CHECK APPROPRIATE 1	BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, C	OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	
X Notice of Intent	Abandonment	Change of Plans
	Recompletion	New Construction
Subsequent Report	Plugging Back	Non-Routine Fracturing

Casing Repair

APD Extension

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

Shenandoah Energy Inc. hereby requests an 1 year extension on the RWU 41-23A.

Final Abandonment Notice

RECEIVED

(Note) Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

Water Shut-Off

Dispose Water

Conversion to Injection

JUN 1 2 2002

DIVISION OF OIL, GAS AND MINING

CONDITIONS OF APPROVAL ATTACHED

			4/22/02
pproved by: Onditions of approval, if any	Petroleum Engineer	Date	45/02

Shenandoah Energy Inc. APD Extension

Well: RWU 41-23A

Location:

NENE Sec 23 T7S, R23E

Lease: UTU 0559

CONDITIONS OF APPROVAL

An extension for the referenced APD is granted with the following conditions:

- 1. The extension will expire 5/1/03
- 2. No other extensions beyond that time frame will be granted or allowed.

If you have any other questions concerning this matter, please contact Kirk Fleetwood of this office at (435) 781-4486

RECEIVED

JUN 1 2 2002

DIVISION OF OIL, GAS AND MINING



Michael O. Leavitt Governor Robert L. Morgan Executive Director Lowell P. Braxton Division Director

1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 (801) 538-5340 telephone (801) 359-3940 fax (801) 538-7223 TTY www.nr.utah.gov

May 1, 2003

Raleen Searle Shenandoah Energy Inc. 11002 East 17500 South Vernal, UT 84078

Re:

APD Rescinded - RWU 41-23A, Sec.23 T.7S, R.22E - Uintah County, Utah,

API No. 43-047-33951

Dear Ms. Searle:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on March 5, 2001. On April 23, 2002, the Division granted a one-year APD extension. On May 1, 2003, you requested that the division rescind the approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective May 1, 2003.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason

Engineering Technician

cc:

Well File

Bureau of Land Management, Vernal





United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office 170 South 500 East Vernal, Utah 84078-2799 http://www.blm.gov/utah/vernal

Phone: (435) 781-4400 Fax: (435) 781-4410

IN REPLY REFER TO: 3160 UT08300

June 12, 2003

Raleen Searle Shenandoah Energy Inc. 11002 East 17500 South Vernal, UT 84078

Re:

Notification of Expiration Well No. RWU 41-23A NENE, Sec. 23, T7S, R22E Uintah County, Utah Lease No. UTU-0559 Red Wash GR

Dear Raleen:

CC:

The Application for Permit to Drill the above-referenced well was approved on May 1, 2001. A one (1) year extension of the original APD was requested. The request was reviewed and the extension approved until May 1, 2003. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Leslie Walker

Legal Instruments Examiner

estichalker

UDOGM - Diana Mason

RECEIVED
JUN 1 8 2003

DIV. OF OIL, GAS & MINING